

Message Text

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ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EA-10 EUR-12 NEA-10 IO-13
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03
H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00 NSC-05
PA-01 CTME-00 AID-05 SS-15 STR-07 ITC-01 TRSE-00
USIA-06 SP-02 SOE-02 OMB-01 DOE-11 SIL-01 ISO-00
/158 W

-----007226 071950Z /45

P R 071857Z MAR 78

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 8263

INFO AMEMBASSY OTTAWA

AMEMBASSY SANTIAGO

AMEMBASSY LIMA

AMEMBASSY LONDON

AMEMBASSY BELGRADE

AMEMBASSY MEXICO

AMEMBASSY KINSHASA

AMEMBASSY LUSAKA

AMEMBASSY OSLO

AMEMBASSY HELSINKI

AMEMBASSY ROME

AMEMBASSY CANBERRA

AMEMBASSY BRUSSELS

AMEMBASSY BONN

AMEMBASSY PRETORIA

AMEMBASSY THE HAGUE

AMEMBASSY MADRID

AMEMBASSY STOCKHOLM

AMEMBASSY MANILA

AMEMBASSY JAKARTA

AMEMBASSY TOKYO

USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ETRD EMIN UNCTAD CIPEC

SUBJECT: COPPER - USITC SECTION 201 INVESTIGATION;
CIPEC PRODUCTION CUTS; AND POSTPONEMENT OF

FIRST MEETING OF UNCTAD WORKING GROUP.

REF: A) STATE 049014 B) PARIS 04357
C) 77 PARIS 37628 D) GENEVA 03491

1. SUMMARY: CONSEIL INTERGOUVERNEMENTAL DES PAYS EXPORTATEURS DE CUIVRE (CIPEC) OFFICIALS HAVE EXPRESSED TO US THEIR INTEREST IN BEING KEPT POSTED REGARDING USITC SECTION 201 INVESTIGATION DESCRIBED IN REF. A). HIGH CIPEC OFFICERS--POSSIBLY INCLUDING CHAIRMAN SADLI--WILL WISH TO PRESENT LDC PRODUCERS' CASE TO COMMISSION IN WASHINGTON, AND ORGANIZATION WOULD LIKE A COPY OF FULL TEXT OF U.S. PRODUCERS PETITION TO USITC. CIPEC OFFICIALS HAVE DISTANCED THEMSELVES FROM RECENT PRESS REPORTS INDICATING THAT CHILE MIGHT AGREE TO FOLLOW PRODUCTION CUTBACK POLICIES AGREED TO BETWEEN ZAMBIA, ZAIRE, AND PERU. CIPEC SECRETARIAT IS DISAPPOINTED THAT FIRST MEETING OF UNCTAD COPPER WORKING GROUP HAS BEEN POSTPONED FROM MARCH 20-23 TO APRIL 17-21. END SUMMARY.

2. AT THEIR REQUEST, EMBOFF HAS BRIEFED CIPEC SECRETARY GENERAL SACHA GUERONIK AND HIS MARKETING DIVISION CHIEF, PETER PARKINSON, ON SECTION 201 OF U.S. PUBLIC LAW 93-618 (TRADE ACT OF 1974). REQUEST WAS GENERATED BY SITUATION DESCRIBED IN REF. A), TEXT OF WHICH HAS ALSO BEEN PASSED TO CIPEC. IN RESPONSE TO OUR OUTLINING OF LIMITED OFFICIAL USE

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SECTION 201 PROCEDURES, GUERONIK TOOK PARTICULAR NOTE OF SUBSECTION (C) THEREOF AND ASKED THAT CIPEC BE NOTIFIED JUST AS SOON AS USITC HAD DETERMINED WHEN IT WOULD HOLD PUBLIC HEARINGS ON THE U.S. COPPER PRODUCERS PETITION SEEKING IMPOSITION OF A QUOTA UPON U.S. IMPORTS OF REFINED COPPER. HE ASKED US TO OBTAIN FOR HIM A COPY OF THAT PETITION. WE REPLIED THAT WE HAD NOT YET RECEIVED WORD THAT THE USITC HAD INSTITUTED AN INVESTIGATION IN THIS CASE, BUT THAT WE WERE EXPECTING SUCH NOTIFICATION MOMENTARILY AND WOULD CERTAINLY KEEP CIPEC SECRETARIAT INFORMED. WE UNDERTOOK TO OBTAIN A COPY OF THE U.S. PRODUCERS' PETITION. GUERONIK CONTINUED THAT CIPEC WOULD WISH TO SEND SOME COMPETENT, HIGH LEVEL REPRESENTATIVES TO PRESENT LDC PRODUCERS CASE BEFORE

USITC. HE REFERRED TO CHAIRMAN SADLI'S FEBRUARY 2 LETTER TO SECRETARY VANCE (REF B.), AND SAID THAT SINCE DOMESTIC INDONESIAN POLITICAL CONSIDERATIONS HAD CAUSED SADLI TO DEFER HIS PLANNED TRIP TO WASHINGTON IN JANUARY (REF. C), CIPEC CHAIRMAN MIGHT REPEAT MIGHT NOW WISH TO PRESENT PRODUCERS' CASE BEFORE COMMISSION HIMSELF. GUERONIK SAID SADLI WAS TENTATIVELY PLANNING TO VISIT

WASHINGTON IN APRIL.

3. WE TOOK THE OCCASION TO SOLICIT GUERONIK'S AND PARKINSON'S REACTION TO RECENT PRESS REPORTS (FINANCIAL TIMES, MARCH 3, PAGE 29) THAT CHILE MIGHT AGREE TO FOLLOW SUIT AND CUT BACK ITS COPPER PRODUCTION ALONG LINES JUST AGREED TO BETWEEN ZAMBIA, ZAIRE, AND PERU (I.E. BY 15 PERCENT). BOTH MEN QUICKLY RESPONDED THAT, WHILE SANTIAGO WAS NATURALLY FOLLOWING DEVELOPMENTS CLOSELY, THESE NEWS REPORTS WERE PURELY SPECULATIVE, AND THEY INSISTED THAT CIPEC HAD NO INDICATION AS TO WHAT CHILE'S POSITION MIGHT BE AT THE ORGANIZATION'S NEXT COUNCIL MEETING SCHEDULED FOR LATE JUNE. AS FOR THE

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ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EA-10 EUR-12 NEA-10 IO-13
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03
H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00 NSC-05
PA-01 CTME-00 AID-05 SS-15 STR-07 ITC-01 TRSE-00
USIA-06 SP-02 SOE-02 OMB-01 DOE-11 SIL-01 ISO-00
/158 W

-----007191 071951Z /45

P R 071857Z MAR 78

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 8264

INFO AMEMBASSY OTTAWA

AMEMBASSY SANTIAGO

AMEMBASSY LIMA

AMEMBASSY LONDON

AMEMBASSY BELGRADE

AMEMBASSY MEXICO

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ZAMBIA-ZAIRE-PERU AGREEMENT, GUERONIK CONFIRMED THAT 15 PERCENT WAS THE TARGETTED CUTBACK. HE DESCRIBED THE AGREEMENT AS A "JOINT DECISION TO BE ADMINISTERED INDIVIDUALLY". HE NOTED THAT WHILE ZAMBIA HAS DECLARED ITS INTENTION BOTH TO CUT PRODUCTION AND TO REDUCE SUPPLY COMMITMENTS UNDER EXISTING CONTRACTS, ZAIRE SAYS IT WILL ONLY EFFECT PRODUCTION CUTS AND THAT EXISTING CONTRACTS WILL BE HONORED AT PREVIOUSLY AGREED LEVELS--EVEN IF THIS SHOULD REQUIRE IT TO PURCHASE ADDITIONAL COPPER ON THE WORLD MARKET.

4. IN CONCLUSION, GUERONIK EXPRESSED DISAPPOINTMENT AT NEWS HE HAD JUST RECEIVED FROM UNCTAD IN GENEVA (SEE REF. D) ADVISING THAT FIRST MEETING OF COPPER WORKING GROUP WOULD NOT TAKE PLACE ON MARCH 20-23 AS ORIGINALLY SCHEDULED. HOWEVER, HIS INFORMATION WAS THAT NEW DATES OF APRIL 17-21 HAD ALREADY BEEN APPROVED.

5. ACTION REQUESTED: PER GUERONIK'S REQUEST (PARA 2 ABOVE), WE WOULD APPRECIATE RECEIVING, BY CABLE IF

FEASIBLE, A COPY OF THE U.S. COPPER PRODUCERS' PETITION TO USITC SEEKING IMPOSITION OF A QUOTA ON IMPORTS OF REFINED COPPER.
HARTMAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, PRODUCTION, POLICIES, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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SAS ID: 3417235
Secure: OPEN
Status: NATIVE
Subject: COPPER - USITC SECTION 201 INVESTIGATION; CIPEC PRODUCTION CUTS; AND POSTPONEMENT OF FIRST MEETING OF UNCTAD WORKING GROUP.
TAGS: ETRD, EMIN, UNCTAD, CIPEC
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/3cc632cc-c288-dd11-92da-001cc4696bcc
Review Markings:
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20 Mar 2014
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